

EXHIBIT 4



CITY OF HOUSTON

Department Name

Annise D. Parker

Mayor

David M. Feldman
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August 22, 2011

Via facsimile (480-607-0901) and Certified Mail RRR
Mr. James D. Toton, President
American Traffic Solutions, Inc.
7681 E. Gray Road
Scottsdale, Arizona 85254

Re: Notice of Immediate Termination of Contract #C62248
Contract #C62248, dated June 28, 2006, approved by City of Houston Ordinance No. 2006-567, as amended on May 29, 2009, approved by City of Houston Ordinance No. 2009-461, between the City of Houston, Texas [Houston] and American Traffic Solutions, Inc., [ATS] for "Photo Red Light Camera Enforcement System and Services" [referred to jointly herein as the Contract].

Dear Mr. Toton,

By correspondence dated November 15, 2010, I notified you that the City was terminating the subject Contract. In the litigation now pending between the City and ATS, your company is contending that such notice was not effective under Paragraph V. C. of the Contract.

While the City vigorously disputes the Company's contention regarding the efficacy of the November 15, 2010, notice letter, in an abundance of caution, and without waiving the effectiveness of such notice, you are hereby notified that the City is terminating the subject Contract, for convenience, pursuant to Paragraph V. C. of the Contract. You are hereby directed to discontinue services under the subject Contract except collection services (including the processing of payments), effective 12:01 p.m. on Wednesday, August 24, 2011.

As City Attorney, Paragraph VI. H. of the subject contract gives me the authority to "enforce all legal rights and obligations under this Agreement without further authorization."

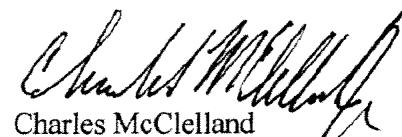
Mr. Tutton
ATS
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While such authority extends to the provision of notice under Paragraph V. C. of the Contract, since your company is contending otherwise in the litigation now pending between the City and ATS, the Chief of Police, Charles McClelland has also executed this notice letter, below, signifying that he joins in the notice of termination herein provided.

Very truly yours,



David M. Feldman,
City Attorney



Charles McClelland
Chief of Police

cc: Mayor Annise Parker *(Via Email)*
George Hittner *(Via Email)*
Andy Taylor *(Via Email)*